

can be offered, in proof of the justice, and necessity, of the passage of the bill, which the committee has the honor to submit.

We do not perceive how the Legislature can with propriety, adjourn and omit to pass any law on the subject of our deliberations. To the committee, there seem to be obstacles, in the way of those who have charge of this great public work, that cannot be removed, but by some remedial law, to be passed by the Legislature. Hitherto the President and Directors of the Canal Company, have managed to repair damages on the canal, and pay officers salaries, by borrowing money for that purpose. The incomes of the Company have been inadequate even for those objects. These incomes for seven years last passed have amounted only to \$853,689 47, the expenditures, for repairs and officers salaries, for the same period, have exceeded the receipts by \$65,194 86. In this state of affairs debts have been contracted by the President and Directors, to the amount of \$463,000, in aid of the income without which the Canal must have been closed up altogether. Of these debts \$200,000, is due to the State of Virginia. The other debts of this class, are due to corporations and individuals, and as the income of the Company are insufficient to pay these debts, and its current expenses, there will be no means for their liquidation, unless some such bill is passed as the one the committee recommend. In addition to these existing debts, there are other unavoidable engagements to be met within the next twelve months, as will be seen by reference to one of the statements appended to this report. One of these arises under a contract entered into by the Board of Directors, for building the stone dams across the Potomac. Speaking in reference to these dams, the President of the Company, in his report to the stockholders, made on the first of last June says, "It is morally certain, that neither salaries nor debts due for repairs, nor other debts of whatever character can be paid, either interest or principal, for any considerable period of time, unless permanent dams can be erected, and the Canal put in substantial order." And in another part of the same report the President says: "The plan of the present Board is, to build the masonry dams without delay."

Looking to this state of affairs, the committee do not perceive how the Canal is to be kept open for navigation at all, without some such aid, as the bill will afford. The incomes of the Company are insufficient to pay current expenses. They cannot be relied upon to pay the \$263,000, now due, to pay judgments against the Company to the amount of \$100,000, and to pay \$100,000, for the construction of these stone dams. Within the next twelve months, unless some remedial measure be adopted, it is most probable that the Canal as a means of transportation,

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nived from the book of this Canal company. And in them
selves furnish the committee believe the best evidence that